

CCC 2023-34 budget!

- The recent history of the CCC budget.
 - Most of our expenses are staff, most of our income is tuition.
 - We have kept expenses close to income to keep CCC accessible.
 - We have arguably under-invested in teachers and buildings and grounds.

- The recent history of the CCC budget.
 - Most of our expenses are staff, most of our income is tuition.
 - We have kept expenses close to income to keep CCC accessible.
 - We have arguably under-invested in teachers and buildings and grounds.
- How did this year go financially? What's coming up next year?
 - We did very well this year, due in large part to high aftercare enrollment.
 - We approved two \$50k "one-off" expenses (a teacher bonus and hiring an architect)
 - For next year, we adopted the expenses of equity tuition, but not the income.

- The recent history of the CCC budget.
 - Most of our expenses are staff, most of our income is tuition.
 - We have kept expenses close to income to keep CCC accessible.
 - We have arguably under-invested in teachers and buildings and grounds.
- How did this year go financially? What's coming up next year?
 - We did very well this year, due in large part to high aftercare enrollment.
 - We approved two \$50k "one-off" expenses (a teacher bonus and hiring an architect)
 - For next year, we adopted the expenses of equity tuition, but not the income.
- Budget proposal scenarios:
 - "Business as usual"
 - Tuition and salary increase with inflation only
 - "Investing moderately"
 - Tuition increases 2% over inflation
 - "Investing more heavily"
 - Tuition increases 4% over inflation
 - Teachers get 1% raise over inflation
 - Hire an extra 8 hours of admin support
 - "Optimistic business as usual"
 - Tuition increases with inflation only
 - Teachers get 1% raise over inflation
 - Hire an extra 8 hours of admin support
 - Hope we get lucky with expenses & other sources of income

Where does our money come from, and what do we spend it on?

Our income is almost all tuition, and our expenses are almost all salaries.

For example, in the 2018-2019 school year:

- Total income was \sim \$594k
 - 91% came from tuition (\sim 2/3 of this came from AM tuition)
- Total expenditures were \sim \$568k
 - 87% went to personnel

Where does our money come from, and what do we spend it on?

Our income is almost all tuition, and our expenses are almost all salaries.

For example, in the 2018-2019 school year:

- Total income was \sim \$594k
 - 91% came from tuition (\sim 2/3 of this came from AM tuition)
- Total expenditures were \sim \$568k
 - 87% went to personnel

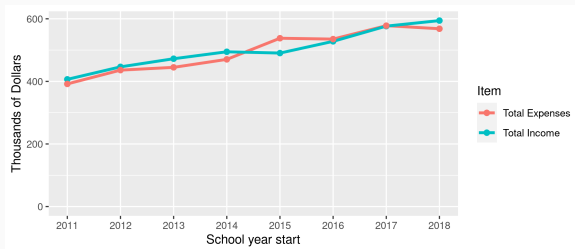
It is difficult to raise teachers' salaries without raising tuition a comparable amount.

This led to our current policy on teacher raises and bonuses (PPM page 28):

- Teachers get an increase with inflation ("COLA"), but do not get raises.
- When we have a surplus we are supposed to:
 - Give teachers generous bonuses.
 - Fund the employee endowment fund (EEF).

So how often / how much do we have surpluses?

Budget over time: pre-COVID19

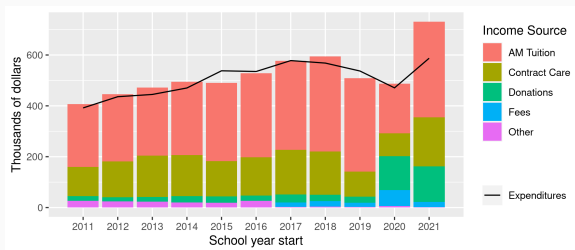


Between the 2011-2012 and 2018-2019 school years (inclusive):

- Actual income ran from \sim \$400k - \$600k
- The largest deficit was \$47k (10%), and the largest surplus \$28k (4%)
- Over all these years, the net surplus was \$47k (\sim \$6k or 1.2% / year)
- Typical variability was from a 0.5% loss to 4.5% surplus (IQR)
- We met the budget 63% of the time (5/8)

Because we run a tight budget, we may have under-invested in B&G and teacher pay.

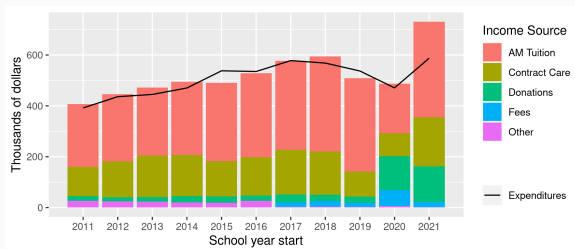
Budget over time: COVID19 years



When COVID hit (midway through the 2019-2020 school year):

- We charged normal tuition for 2019-2020
- Tuition dropped off steeply 2020-2021 (partial shutdown, fewer kids)
- The shortfall was made up (and then some) from *one-time donations*:
 - Family donations
 - Corporate donations
 - Government assistance (in total over \$300k)
- Without these donations, CCC would be close to out of business.
- Instead, we emerged from COVID19 with a large, one-time surplus.

Budget over time: COVID19 years



When COVID hit (midway through the 2019-2020 school year):

- We charged normal tuition for 2019-2020
- Tuition dropped off steeply 2020-2021 (partial shutdown, fewer kids)
- The shortfall was made up (and then some) from *one-time donations*:
 - Family donations
 - Corporate donations
 - Government assistance (in total over \$300k)
- Without these donations, CCC would be close to out of business.
- Instead, we emerged from COVID19 with a large, one-time surplus.

The surplus first went to the 20% reserve. **About \$278k remained last October..**

Why didn't the teachers get a big bonus in 2021? After subtracting one-time donations, the surplus was only ~\$5k, less than 1% of budget.

How did we do this year?

How did we use the surplus?

About \$278k remained at the start of the year. Currently, about \$202k remains.

(Not counting reserve, EEF, or CD funds — we have \$551k in cash total.)

1. Operating expenses increased, so our reserve requirement increased.
2. Gave the teachers a bonus / funding the employee endowment fund
 - One-time \$50k bonus and contribution to employee endowment fund

How did we do this year?

How did we use the surplus?

About \$278k remained at the start of the year. Currently, about \$202k remains.

(Not counting reserve, EEF, or CD funds — we have \$551k in cash total.)

1. Operating expenses increased, so our reserve requirement increased.
2. Gave the teachers a bonus / funding the employee endowment fund
 - One-time \$50k bonus and contribution to employee endowment fund

How were our finances otherwise?

Our finances were pretty good this year!

- As of March 1st, we were net \$27k positive
 - Even including the one-time teacher bonus!
- Good finances were driven by high PM enrollment and hiring Lillian.

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)
3. Investing in buildings and grounds
 - Proposed \$5k for painting, \$50k for architect.
 - **Currently not funded from tuition.**

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)
3. Investing in buildings and grounds
 - Proposed \$5k for painting, \$50k for architect.
 - **Currently not funded from tuition.**
4. Jump-starting "equity tuition"
 - Increases in scholarships to new families
 - Equity tuition prices offered to families who would have had their tuition reduced
 - ...but families who would have their tuition increased are still paying the same.
 - Total projected scholarship cost next year \$54k (vs \$23k last year).
 - There is a special fundraiser aiming to raise \$60k (currently raised \$20k).
 - **Currently not funded from tuition.**

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)
3. Investing in buildings and grounds
 - Proposed \$5k for painting, \$50k for architect.
 - **Currently not funded from tuition.**
4. Jump-starting “equity tuition”
 - Increases in scholarships to new families
 - Equity tuition prices offered to families who would have had their tuition reduced
 - ...but families who would have their tuition increased are still paying the same.
 - Total projected scholarship cost next year \$54k (vs \$23k last year).
 - There is a special fundraiser aiming to raise \$60k (currently raised \$20k).
 - **Currently not funded from tuition.**
5. Changes to admin staff
 - Currently, Edna works 32 hours per week, but got evicted and had to move out of state.
 - Devaki is training to replace her, but cannot work more than 20 hours per week.
 - Hire someone else? Retain Edna? Parent volunteers? Need more than 32 hours?

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)
3. Investing in buildings and grounds
 - Proposed \$5k for painting, \$50k for architect.
 - **Currently not funded from tuition.**
4. Jump-starting “equity tuition”
 - Increases in scholarships to new families
 - Equity tuition prices offered to families who would have had their tuition reduced
 - ...but families who would have their tuition increased are still paying the same.
 - Total projected scholarship cost next year \$54k (vs \$23k last year).
 - There is a special fundraiser aiming to raise \$60k (currently raised \$20k).
 - **Currently not funded from tuition.**
5. Changes to admin staff
 - Currently, Edna works 32 hours per week, but got evicted and had to move out of state.
 - Devaki is training to replace her, but cannot work more than 20 hours per week.
 - Hire someone else? Retain Edna? Parent volunteers? Need more than 32 hours?
6. Teacher raises
 - The bonus was a good thing to do, but arguably was making up for the past.
 - There is some support for salary increases as well.
 - **Currently not funded from tuition.**

What is coming next year?

1. Inflation (COLA) is 4.9% year over year.
 - Tuition and salaries will increase by at least this amount.
 - We charged too much for extended care this year (the numbers got copied wrong from the budget). I am basing increases on the budgeted amount, not the amount charged.
2. Potential decrease in PM enrollment (we got lucky this year)
3. Investing in buildings and grounds
 - Proposed \$5k for painting, \$50k for architect.
 - **Currently not funded from tuition.**
4. Jump-starting “equity tuition”
 - Increases in scholarships to new families
 - Equity tuition prices offered to families who would have had their tuition reduced
 - ...but families who would have their tuition increased are still paying the same.
 - Total projected scholarship cost next year \$54k (vs \$23k last year).
 - There is a special fundraiser aiming to raise \$60k (currently raised \$20k).
 - **Currently not funded from tuition.**
5. Changes to admin staff
 - Currently, Edna works 32 hours per week, but got evicted and had to move out of state.
 - Devaki is training to replace her, but cannot work more than 20 hours per week.
 - Hire someone else? Retain Edna? Parent volunteers? Need more than 32 hours?
6. Teacher raises
 - The bonus was a good thing to do, but arguably was making up for the past.
 - There is some support for salary increases as well.
 - **Currently not funded from tuition.**

Should we deplete reserves for teacher bonuses, B&G, and scholarships?

Or should we fund them, at least in part, with tuition increases?

Budget scenarios

	Scenario A: Business as usual	Scenario B: Investing moderately	Scenario C: Investing more heavily	Scenario D: Optimistic business as usual
Extra manager hours	12	12	20	20
Equity tuition fundraising total	\$30,000	\$30,000	\$30,000	\$60,000
PM1 contract units / week	95	95	95	137
Lillian hours	0	0	0	26
Pay raise (after COLA)	0.00%	0.00%	1.00%	1.00%
Tuition increase (after COLA)	0.00%	2.00%	4.00%	0.00%
Tuition revenue:	\$680,424	\$691,395	\$703,784	\$740,752
Total revenue:	\$676,296	\$685,988	\$697,097	\$766,625
Personnel expenses:	\$577,628	\$577,628	\$585,000	\$615,113
Expenses:	\$709,674	\$709,674	\$717,046	\$747,159
Extra scholarships:	-\$43,877	-\$45,157	-\$46,437	-\$43,877
Extra B&G:	-\$55,000	-\$55,000	-\$55,000	-\$55,000
Extra fundraising:	\$30,000	\$30,000	\$30,000	\$60,000
Net extras:	-\$68,877	-\$70,157	-\$71,437	-\$38,877
Net income w/o extras:	\$35,500	\$46,471	\$51,488	\$58,344
Net income:	-\$33,377	-\$23,686	-\$19,949	\$19,466

Tuition numbers for 2022-23 vs 2023-34

Proposed "Business as usual":

2023 -2024 Proposed Monthly Rates					
	5 days	4 days	3 days	2 days	1 day
AM Tuition Monthly Rate	\$820.00				
EAM Monthly Rate	\$240.00	\$192.00	\$144.00	\$96.00	\$48.00
PM1 Monthly Rate	\$720.00	\$576.00	\$432.00	\$288.00	\$144.00
PM2 Monthly Rate	\$480.00	\$384.00	\$288.00	\$192.00	\$96.00

Proposed "Invest moderately":

2023 -2024 Proposed Monthly Rates					
	5 days	4 days	3 days	2 days	1 day
AM Tuition Monthly Rate	\$836.00				
EAM Monthly Rate	\$245.00	\$196.00	\$147.00	\$98.00	\$49.00
PM1 Monthly Rate	\$730.00	\$584.00	\$438.00	\$292.00	\$146.00
PM2 Monthly Rate	\$485.00	\$388.00	\$291.00	\$194.00	\$97.00

Proposed "Invest more heavily":

2023 -2024 Proposed Monthly Rates					
	5 days	4 days	3 days	2 days	1 day
AM Tuition Monthly Rate	\$852.00				
EAM Monthly Rate	\$250.00	\$200.00	\$150.00	\$100.00	\$50.00
PM1 Monthly Rate	\$745.00	\$596.00	\$447.00	\$298.00	\$149.00
PM2 Monthly Rate	\$500.00	\$400.00	\$300.00	\$200.00	\$100.00
